



Oregon

Kate Brown, Governor

Public Utility Commission

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November 21, 2019



BY EMAIL

Frontier Communications Northwest Inc.

Leslie Zink

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RE: Advice No. 1070

At the public meeting on November 21, 2019, the Commission adopted Staff's recommendation in this matter docketed as ADV 1024. The Staff Report and a receipted copy of the sheet in your advice filing are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 21, 2019

REGULAR ___ CONSENT X EFFECTIVE DATE December 1, 2019

DATE: October 31, 2019

TO: Public Utility Commission

FROM: Malia Brock

THROUGH: Michael Dougherty, Bryan Conway, and Bruce Hellebuyck

SUBJECT: FRONTIER COMMUNICATIONS NORTHWEST INC.:
(Docket No. ADV 1024/Advice No. 1070)
Federal Lifeline and Oregon Telephone Assistance Program Revisions.

STAFF RECOMMENDATION:

Staff recommends that the filed tariff be allowed to go into effect.

DISCUSSION:

Issue

Whether to allow the revised tariff filed by Frontier Communications Northwest Inc. (Frontier) to go into effect.

Applicable Law

Telecommunications utilities are required under ORS 759.175 to submit tariff filings to the Commission whenever they intend to change their rates, terms, or conditions of service. On August 17, 2018, with Order 18-303 (Docket No. UM 1895), the Commission approved a Price Plan to both Frontier and its affiliate, Citizens Telecommunication Company of Oregon (Citizens) allowed by ORS 759.255.¹

Section 7 of the Price Plan allows Frontier to petition the Commission for adjustments to the Price Plan to reflect material changes outside Frontier's control that would have an overall material effect on Frontier, such as a decrease in FCC support. Section 9.a.ii of the Price Plan requires tariff filings to be made at least 30 days prior to their effective dates.

¹ Order No. 18-303 was amended on February 14, 2019, with Order No. 19-038.

Analysis

In its October 17, 2019 filing, Frontier proposed to revise Section IV, Sheet 86 of its tariff, P.U.C. OR. No. 18, to conform to FCC regulations in which the federal Lifeline support amount for voice telephone service will decline to \$7.25 per month effective December 1, 2019.² Using an annual phase down schedule, the FCC's objective is to modernize the Lifeline program by transitioning the support to broadband internet access service before eliminating it for voice telephone service.³

Frontier also proposed to incorporate a revision that indicates the Oregon Telephone Assistance Program (OTAP) support amount of \$3.50 will be available for broadband internet access service, effective January 1, 2020. Prior to the enactment of Senate Bill 69 in 2019, the OTAP subsidy was limited to voice telephone service.

The filing was submitted on October 17, 2019, with an effective date of December 1, 2019, and therefore complies with the applicable 30-day filing requirement.

Conclusion

Staff finds that the filing complies with applicable FCC regulations, Oregon statutes, the requirements of the Frontier Price Plan and therefore, should be allowed to go into effect.

PROPOSED COMMISSION MOTION:

Allow Frontier Advice No. 1070 to go into effect for service rendered on and after December 1, 2019.

Frontier.1070.Lifeline

² 47 C.F.R. Section 54.403(a)(2)(ii).

³ FCC Lifeline Modernization Order, WC Docket No.11-42, issued April 27, 2016.

Section IV

7th Revised Sheet 86
 Canceling
 6th Revised Sheet 86

LOCAL SERVICE

LIFELINE SERVICE
 (OREGON TELEPHONE ASSISTANCE PROGRAM)

RATES

A total credit amount applies to the Lifeline customer's monthly bill as follows:

	Broadband ² <u>Credit</u>	Voice ³ <u>Credit</u>	(T)(N) (N)
Federal and State Lifeline Credits:			
Federal Lifeline Support Credit (includes Federal End User Common Line Credit of and remainder \$2.75 credit covers basic service)	\$9.25 \$6.50	\$7.25 \$6.50	(N) (N)
State Amount Funded by OTAP ^{1,4}	<u>3.50</u>	<u>3.50</u>	(T)(N)
TOTAL support amount:	\$12.75	\$10.75	(N)

With the exception of the Initial Service Order Charges, see Tribal Link Up (under Service Charges), all recurring and nonrecurring charges for any service ordered by the customer shall be billed at the tariffed and/or Price Listed rates.

When a customer is no longer eligible for Lifeline Service, the Lifeline credit amount specified above will be discontinued and regular tariffed rates and charges will apply.

¹ Set by the OPUC for OTAP in Docket UM 731 and per Order No. 97-491.

² Broadband = service that includes qualifying broadband service.

³ Voice = voice service with no qualifying broadband service as defined by 47 C.F.R., Section 54.403 (a)(2).

⁴ OTAP Credit applies to service that includes voice. Effective January 1, 2020, OTAP credit may be applied to voice or broadband service.

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